1958

STATE SALES, USE, AND INCOME TAX RATES

17	**STATE SALES, USE, AND INCOME TAX RATES. Initiative.** Reduces sales and use tax rate from 3 to 2 percent. Changes income tax rates (now ranging from 1 percent on incomes under $5,000 to 6 percent on incomes over $25,000) to new range of ½ percent on incomes under $5,000 to 46 percent on incomes over $50,000. Legislature may lower but not increase sales and use tax rates. Income tax rates may be changed only by vote of electors. Sales and use tax rate changes effective January 1, 1959. Income tax rate changes effective after December 31, 1957.	**YES**	
		NO	

(For Full Text of Measure, See Page 15, Part II)

Analysis by the Legislative Counsel

This initiative measure would amend the Revenue and Taxation Code so as to reduce the rate of the state sales tax and state use tax from three percent to two percent.

It would also change the state personal income tax rates, which now range from one percent on incomes of $5,000 and less, to six percent on incomes over $25,000. The new rates would range from one-half of one percent on incomes of $5,000 and less, to 46 percent on incomes over $50,000.

The measure would permit the Legislature to make further reductions in the sales and use tax rates, but would prohibit any increases in such rates by the Legislature. It would permit income tax rates to be changed in the future only by a vote of the people.

The sales and use tax rate changes would be effective January 1, 1959; the income tax rate changes would be applied to taxes for taxable years beginning after December 31, 1957.

Argument in Favor of Initiative Proposition No. 17

Almost two-thirds of California's general fund revenues come from the state sales tax, which forces low-income families to pay a tax burden at least 150% greater than high-income families and the wealthy. Is this fair and equitable taxation?

Proposition 17 speaks for justice in taxation. It proposes a modest shift of about 11% of the total general fund tax burden on an "ability to pay" basis, giving tax relief to better than 90% of California's over-burdened taxpayers and requiring a justifiable increase on the wealthy upper 10%, who because of the sales tax are now escaping their fair share of taxes.

This is accomplished by (1) reducing the state sales tax from 3% to 2%, and (2) revising the state income tax schedule to cut the tax of individuals with taxable incomes below $9,167 and married couples below $18,335, while increasing the tax paid by the wealthy with incomes above these amounts.

Proposition 17 adequately protects the revenue position of the state. State Franchise Tax Board estimates, based on 1956 personal income statistics and adjusted for increases since then, show that greater revenues from the revised income tax would offset losses from the sales tax cut within a margin of less than 1% of present general fund revenues.

At the same time, Proposition 17 would add approximately $70,000,000 to $90,000,000 in badly needed purchasing power to California's economy. This addition would result because most of the increased state taxes to be paid by the wealthy few would be deductible from federal tax filings. Official state estimates show that, in fact, 68% would be deductible. Thus, these wealthy few would pay a real, out-of-pocket increase amounting to only a small fraction of what the opponents of Proposition 17 would have the public believe.

The campaign against this sound and equitable proposal has produced every trick known by political hucksters to deceive the people and trick them into thinking the measure is against their best interests.

In arguing that it will cause budget problems, opponents are trying to blame this Proposition for the fact the Legislature must face a major deficit next year equaling at least 18% of General Fund revenue. This deficit has nothing to do with the initiative. They know this, but oppose Proposition 17 because it assures taxpayers that the existing deficit problem will be met in a fair and equitable manner. The higher income groups want to maintain their present preferred position at the expense of low- and middle-income groups.

The opponents are also trying to hide behind school children, claiming the measure would endanger state school apportionments. This is a blatant misstatement. Proposition 17 could not possibly affect in any way, shape or form, the large state appropriations being made in support of public schools, because the State Constitution gives schools an absolute first priority on all General Fund revenues.

Vote for tax equality in California. Vote Yes on Proposition 17.

MRS. ANNE DIPPEL
MRS. HAZEL DAVIS
Co-Chairmen, Citizens Committee for Tax Equality

C. J. HAGGERTY
Secretary-Treasurer, California State Federation of Labor

Argument Against Initiative Proposition No. 17

Don't throw a "monkeywrench" in the machinery of State Government!

Don't wreck the financial structure of California's public schools, State colleges, welfare programs, hospitals and institutions!

Don't undermine California's Veterans' Farm and Home Loan Program!

Don't jeopardize job opportunities in California!

Emphatic opposition to Proposition 17 has been voiced by both Republican and Democratic candidates for Governor.

Vote NO on Proposition 17. This totally reckless and irresponsible initiative amendment would reduce State tax revenues by at least $50 million and within 5 years by more than $200 million annually.

This year California has remained solvent only by using most of its reserves. Proposition 17, if passed, would force a drastic reduction of State services.

The Proposition would cut the State sales tax from 3% to 2%, resulting in an annual loss to the State General Fund of over $200 million.

Proposition 17 also would change State income tax rates from the present range of 1% to 6% to a new range of ½% to 46% making California by far the highest income tax state in the nation. Based on the same total taxable income reported last year, State income tax collections would increase by $164 million. But the fantastic rates on higher bracket incomes would drive many people and businesses out of California. Indeed, under some circumstances, State plus Federal income taxes could exceed an individual's total annual income! The measure would create a very unfavorable "business climate" in California and would make it difficult to attract new industries and to create new jobs for our increasing population.

At the lower end of the income tax rate range, collections would be decreased by $33 million. Thus, depending on the entirely unpredictable effects of this portion of the tax bill, the total increase in State income tax collections might not result in any appreciable offset against the huge loss in State sales tax revenues.

Revenue losses caused by Proposition 17 would seriously cripple programs for mental hospitals and assistance to needy children, aged and blind. The State's share of support for our public schools would have to be curtailed, thus placing a greater share of the burden on local property taxpayers; homeowners and farmers could expect huge property tax hikes. The State, for the first time since 1911, would be faced with the need to levy a statewide ad valorem tax on property for general State purposes.

Proposition 17 would have an immediate ε on the State's credit and its ability to sell State bonds, jeopardizing the Veterans' Farm and Home Loan Program, the State Grant and Loan Program for Public School Construction, and the Program for Construction of State Colleges, Universities, and Mental Hospitals.

Groups and organizations interested in schools and public welfare vigorously oppose Proposition 17. Business organizations concerned with the financial stability of the State oppose Proposition 17.

All citizens interested in their own economic welfare will vote NO on Proposition 17.

CALIFORNIA FARM BUREAU FEDERATION
By RICHARD W. OWENS,
Secretary-Treasurer

CALIFORNIA STATE CHAMBER OF COMMERCE
By JAMES MUSSATTI,
General Manager

CALIFORNIA TEACHERS ASSOCIATION
By ARTHUR F. COREY,
State Executive Secretary

18	**EMPLOYER-EMPLOYEE RELATIONS. INITIATIVE CONSTITUTIONAL AMENDMENT.** Adds Section 1-A to Article I, State Constitution. Prohibits employers and employee organizations from entering into collective bargaining or other agreements which establish membership in a labor organization, or payment of dues or charges of any kind thereto, as a condition of employment or continued employment. Declares unlawful certain practices relating to membership in labor organizations. Provides for injunction and damage suits against any person or group for violation or attempted violation. Preserves existing lawful contracts but applies to renewals or extensions thereof. Declares that section is self-executing. Defines "labor organization."	**YES** / **NO**

(For Full Text of Measure, See Page 20, Part II)

Analysis by the Legislative Counsel

This initiative measure would add Section 1-A to Article I of the Constitution.

The measure states that all men should be free to elect voluntarily whether to join or not to join a labor organization. It declares it to be the public policy of California that the right of persons to work shall not be denied or abridged because of membership or nonmembership in any labor organization.

Any agreement or combination between an employer and a labor organization whereby nonmembers of the labor organization are denied the right to work for the employer, or whereby membership in the labor organization is a condition of employment or continuation of employment, would be against public policy.

Employers would be prohibited from requiring any person, as a condition of employment or continuation of employment, (1) to become or remain a member of a labor organization, or (2) to refrain from membership in a labor organization, or (3) to pay dues, fees, or any other charges to any labor organization. Any person denied employment, or deprived of continuation of employment, in violation of this prohibition would be entitled to recover from his employer and from any other person, firm, corporation, association, or labor organization acting in concert with the employer, such damages as he might have sustained plus reasonable attorney fees.

All persons, firms, associations, corporations, and labor organizations would be prohibited from causing, or attempting to cause, an employer to violate any provision of the measure.

16	**TAXATION OF SCHOOL PROPERTY OF RELIGIOUS AND OTHER NONPROFIT ORGANIZATIONS. Initiative Constitutional Amendment.** Amends Section 1c of Article XIII of the State Constitution by providing that the property authorized by said section to be exempted from taxation shall not include any property used or owned, directly or indirectly, in whole or in part, for any religious or other school or school purposes of less than collegiate grade, unless such property shall be used, owned and held exclusively for the blind, mentally retarded or physically handicapped. Does not affect exemptions granted by other sections of the Constitution.	**YES** / **NO**

(This proposed amendment expressly amends an existing section of the Constitution; therefore, **NEW PROVISIONS** proposed to be **INSERTED** are printed in **BLACK-FACED TYPE.**)

PROPOSED AMENDMENT TO ARTICLE XIII

Sec. 1c. In addition to such exemptions as are now provided in this Constitution, the Legislature may exempt from taxation all or any portion of property used exclusively for religious, hospital or charitable purposes and owned by community chests, funds, foundations or corporations organized and operated for religious, hospital or charitable purposes, not conducted for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual. As used in this section, "property used exclusively for religious, hospital or charitable purposes" shall include a building and its equipment in the course of construction on or after the first Monday of March, 1954, together with the land on which it is located as may be required for the use and occupation of the building, to be used exclusively for religious, hospital or charitable purposes. **As used in this section, "property used exclusively for religious, hospital or charitable purposes" shall not include any property use, held or owned, directly or indirectly, in whole or in part, for any parochial, sectarian, denominational, or other school or school purposes of less than collegiate grade, unless used, held and owned exclusively for the blind, mentally retarded or physically handicapped. The exemption limitations provided for in this section shall not limit or alter any exemptions now expressly provided by other sections in this Constitution, including among others the public school, church, college, military service and orphan asylum exemptions. If any part, clause or phrase hereof is for any reason held to be invalid, it is intended that all the remainder shall continue to be fully effective.**

17	**E SALES, USE, AND INCOME TAX RATES. Initiative.** Reduces sales and use tax rate from 3 to 2 percent. Changes income tax rates (now ranging from 1 percent on incomes under \$5,000 to 6 percent on incomes over \$25,000) to new range of ½ percent on incomes under \$5,000 to 46 percent on incomes over \$50,000. Legislature may lower but not increase sales and use tax rates. Income tax rates may be changed only by vote of electors. Sales and use tax rate changes effective January 1, 1959. Income tax rate changes effective after December 31, 1957.	**YES** / **NO**

(This proposed law expressly amends existing sections and adds new provisions to the law; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** are printed in ~~STRIKE-OUT TYPE~~ and **NEW PROVISIONS** proposed to be **INSERTED** or **ADDED** are printed in **BLACK-FACED TYPE.**)

PROPOSED LAW

An act providing for the amendment of Sections 6051, 6201, 17041 and 17048 of the Revenue and Taxation Code of the State of California relating to sales, use and personal income taxes; permitting the Legislature to lower the rates set by Sections 1 and 2 of the act relating to sales and use taxes; and providing for the application of Sections 3 and 4 of this act, relating to personal income taxes, to specified taxable years.

The people of the State of California do enact as follows:

DECLARATION OF INTENT. It is hereby lared to be the intent of this act to reduce burden of taxation on low- and middle-income taxpayers by a reduction in the state sales and use taxes and the imposition of a lower rate of taxation on taxable personal incomes below \$6,000, and to provide a base for an offsetting increase in state revenues by increasing the rate of taxation of taxable personal incomes above \$7,000 on a progressive, ability-to-pay basis.

SECTION 1. Section 6051 of the Revenue and Taxation Code is hereby amended to read as follows:

6051. For the privilege of selling tangible personal property at retail a tax is hereby imposed upon all retailers at the rate of 2½ percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this State on or after August 1, 1933, and to and including June 30, 1935, and at the rate of 3 percent thereafter, and at the rate of 2½ percent on and after July 1, 1943, and to and including June 30, 1949, and at the rate of 3 percent thereafter~~.~~**, and at the rate of 2 percent on and after January 1, 1959.**

SECTION 2. Section 6201 of the Revenue and Taxation Code is hereby amended to read as follows:

6201. An excise tax is hereby imposed on the storage, use, or other consumption in this State of tangible personal property purchased from any retailer on or after July 1, 1935, for storage, use, or other consumption in this State at the rate of 3 percent of the sales price of the property, and at the rate of 2½ percent on and after July 1, 1943, and to and including June 30, 1949, and at the rate of 3 percent thereafter~~.~~**, and at the rate of 2 percent on and after January 1, 1959.**

SECTION 3. Section 17041 of the Revenue and Taxation Code is hereby amended to read as follows:

17041. (a) There shall be levied, collected, and paid for each taxable year upon the entire taxable income of every resident of this State and upon the entire taxable income of every nonresident which is derived from sources within this State, taxes in the following amounts and at the following rates upon the amount of taxable income:

Upon taxable incomes not in excess of five thousand dollars ($5,000), ~~1 percent of such taxable incomes.~~

~~Fifty dollars ($50) upon taxable incomes of five thousand dollars ($5,000); and upon taxable incomes in excess of five thousand dollars ($5,000) and not in excess of ten thousand dollars ($10,000), 2 percent in addition of such excess.~~

~~One hundred fifty dollars ($150) upon taxable incomes of ten thousand dollars ($10,000); and upon taxable incomes in excess of ten thousand dollars ($10,000) and not in excess of fifteen thousand dollars ($15,000), 3 percent in addition of such excess.~~

~~Three hundred dollars ($300) upon taxable incomes of fifteen thousand dollars ($15,000); and upon taxable incomes in excess of fifteen thousand dollars ($15,000) and not in excess of twenty thousand dollars ($20,000), 4 percent in addition of such excess.~~

~~Five hundred dollars ($500) upon taxable incomes of twenty thousand dollars ($20,000); and upon taxable incomes in excess of twenty thousand dollars ($20,000) and not in excess of twenty-five thousand dollars ($25,000), 5 percent in addition of such excess.~~

~~Seven hundred fifty dollars ($750) upon taxable incomes of twenty-five thousand dollars ($25,000); and upon taxable incomes in excess of twenty-five thousand dollars ($25,000), 6 percent in addition of such excess.~~

½ percent of such taxable incomes.

Twenty-five dollars ($25) upon taxable incomes of five thousand dollars ($5,000); and upon taxable incomes in excess of five thousand dollars ($5,000) and not in excess of six thousand dollars ($6,000), 1 percent in addition of such excess.

Thirty-five dollars ($35) upon taxable incomes of six thousand dollars ($6,000); and upon taxable incomes in excess of six thousand dollars ($6,000) and not in excess of seven thousand dollars ($7,000), 2 percent in addition of such excess.

Fifty-five dollars ($55) upon taxable incomes of seven thousand dollars ($7,000); and upon taxable incomes in excess of seven thousand dollars ($7,000) and not in excess of eight thousand dollars ($8,000), 3 percent in addition of such excess.

Eighty-five dollars ($85) upon taxable incomes of eight thousand dollars ($8,000); and upon taxable incomes in excess of eight thousand dollars ($8,000) and not in excess of nine thousand dollars ($9,000), 4 percent in addition of such excess.

One hundred twenty-five dollars ($125) upon taxable incomes of nine thousand dollars ($9,000); and upon taxable incomes in excess of nine thousand dollars ($9,000) and not in excess of ten thousand dollars ($10,000), 5 percent in addition of such excess.

One hundred seventy-five dollars ($175) upon taxable incomes of ten thousand dollars ($10,000); and upon taxable incomes in excess of ten thousand dollars ($10,000) and not in excess of eleven thousand dollars ($11,000), 6 percent in addition of such excess.

Two hundred thirty-five dollars ($235) upon taxable incomes of eleven thousand dollars ($11,000); and upon taxable incomes in excess of eleven thousand dollars ($11,000) and not in excess of twelve thousand dollars ($12,000), 7 percent in addition of such excess.

Three hundred five dollars ($305) upon taxable incomes of twelve thousand dollars ($12,000); and upon taxable incomes in excess of twelve thousand dollars ($12,000) and not in excess of thirteen thousand dollars ($13,000), 8 percent in addition of such excess.

Three hundred eighty-five dollars ($385) upon taxable incomes of thirteen thousand dollars ($13,000); and upon taxable incomes in excess of thirteen thousand dollars ($13,000) and not in excess of fourteen thousand dollars ($14,0[illegible] 9 percent in addition of such excess.

Four hundred seventy-five dollars ($475) upon taxable incomes of fourteen thousand dollars ($14,000); and upon taxable incomes in excess of fourteen thousand dollars ($14,000) and not in excess of fifteen thousand dollars ($15,000), 10 percent in addition of such excess.

Five hundred seventy-five dollars ($575) upon taxable incomes of fifteen thousand dollars ($15,000); and upon taxable incomes in excess of fifteen thousand dollars ($15,000) and not in excess of sixteen thousand dollars ($16,000), 11 percent in addition of such excess.

Six hundred eighty-five dollars ($685) upon taxable incomes of sixteen thousand dollars ($16,000); and upon taxable incomes in excess of sixteen thousand dollars ($16,000) and not in excess of seventeen thousand dollars ($17,000), 12 percent in addition of such excess.

Eight hundred five dollars ($805) upon taxable incomes of seventeen thousand dollars ($17,000); and upon taxable incomes in excess of seventeen thousand dollars ($17,000) and not in excess of eighteen thousand dollars ($18,000), 13 percent in addition of such excess.

Nine hundred thirty-five dollars ($935) upon taxable incomes of eighteen thousand dollars ($18,000); and upon taxable incomes in excess of eighteen thousand dollars ($18,000) and not in excess of nineteen thousand dollars ($19,000), 14 percent in addition of such excess.

One thousand seventy-five dollars ($1,075) [illegible] taxable incomes of nineteen thousand dollars

($19,000); and upon taxable incomes in excess of nineteen thousand dollars ($19,000) and not in excess of twenty thousand dollars ($20,000), 15 percent in addition of such excess.

[illegible] thousand two hundred twenty-five dollars ([illegible]5) upon taxable incomes of twenty thousand dollars ($20,000); and upon taxable incomes in excess of twenty thousand dollars ($20,000) and not in excess of twenty-one thousand dollars ($21,000), 16 percent in addition of such excess.

One thousand three hundred eighty-five dollars ($1,385) upon taxable incomes of twenty-one thousand dollars ($21,000); and upon taxable incomes in excess of twenty-one thousand dollars ($21,000) and not in excess of twenty-two thousand dollars ($22,000), 17 percent in addition of such excess.

One thousand five hundred fifty-five dollars ($1,555) upon taxable incomes of twenty-two thousand dollars ($22,000); and upon taxable incomes in excess of twenty-two thousand dollars ($22,000) and not in excess of twenty-three thousand dollars ($23,000), 18 percent in addition of such excess.

One thousand seven hundred thirty-five dollars ($1,735) upon taxable incomes of twenty-three thousand dollars ($23,000); and upon taxable incomes in excess of twenty-three thousand dollars ($23,000) and not in excess of twenty-four thousand dollars ($24,000), 19 percent in addition of such excess.

One thousand nine hundred twenty-five dollars ($1,925) upon taxable incomes of twenty-four thousand dollars ($24,000); and upon taxable in[illegible] in excess of twenty-four thousand dollars ([illegible]00) and not in excess of twenty-five thous[illegible] dollars ($25,000), 20 percent in addition of such excess.

Two thousand one hundred twenty-five dollars ($2,125) upon taxable incomes of twenty-five thousand dollars ($25,000); and upon taxable incomes in excess of twenty-five thousand dollars ($25,000) and not in excess of twenty-six thousand dollars ($26,000), 21 percent in addition of such excess.

Two thousand three hundred thirty-five dollars ($2,335) upon taxable incomes of twenty-six thousand dollars ($26,000); and upon taxable incomes in excess of twenty-six thousand dollars ($26,000) and not in excess of twenty-seven thousand dollars ($27,000), 22 percent in addition of such excess.

Two thousand five hundred fifty-five dollars ($2,555) upon taxable incomes of twenty-seven thousand dollars ($27,000); and upon taxable incomes in excess of twenty-seven thousand dollars ($27,000) and not in excess of twenty-eight thousand dollars ($28,000), 23 percent in addition of such excess.

Two thousand seven hundred eighty-five dollars ($2,785) upon taxable incomes of twenty-eight thousand dollars ($28,000); and upon taxable incomes in excess of twenty-eight thousand dollars ($28,000) and not in excess of twenty-nine thousand dollars ($29,000), 24 percent in addition of such excess.

[illegible]ree thousand twenty-five dollars ($3,025) [illegible] taxable incomes of twenty-nine thousand d[illegible]ars ($29,000); and upon taxable incomes in excess of twenty-nine thousand dollars ($29,000) and not in excess of thirty thousand dollars ($30,000), 25 percent in addition of such excess.

Three thousand two hundred seventy-five dollars ($3,275) upon taxable incomes of thirty thousand dollars ($30,000); and upon taxable incomes in excess of thirty thousand dollars ($30,000) and not in excess of thirty-one thousand dollars ($31,000), 26 percent in addition of such excess.

Three thousand five hundred thirty-five dollars ($3,535) upon taxable incomes of thirty-one thousand dollars ($31,000); and upon taxable incomes in excess of thirty-one thousand dollars ($31,000) and not in excess of thirty-two thousand dollars ($32,000), 27 percent in addition of such excess.

Three thousand eight hundred five dollars ($3,805) upon taxable incomes of thirty-two thousand dollars ($32,000), and upon taxable incomes in excess of thirty-two thousand dollars ($32,000) and not in excess of thirty-three thousand dollars ($33,000), 28 percent in addition of such excess.

Four thousand eighty-five dollars ($4,085) upon taxable incomes of thirty-three thousand dollars ($33,000); and upon taxable incomes in excess of thirty-three thousand dollars ($33,000) and not in excess of thirty-four thousand dollars ($34,000), 29 percent in addition of such excess.

Four thousand three hundred seventy-five dollars ($4,375) upon taxable incomes of thirty-four thousand dollars ($34,000); and upon taxable incomes in excess of thirty-four thousand dollars ($34,000) and not in excess of thirty-five thousand dollars ($35,000), 30 percent in addition of such excess.

Four thousand six hundred seventy-five dollars ($4,675) upon taxable incomes of thirty-five thousand dollars ($35,000); and upon taxable incomes in excess of thirty-five thousand dollars ($35,000) and not in excess of thirty-six thousand dollars ($36,000), 31 percent in addition of such excess.

Four thousand nine hundred eighty-five dollars ($4,985) upon taxable incomes of thirty-six thousand dollars ($36,000); and upon taxable incomes in excess of thirty-six thousand dollars ($36,000) and not in excess of thirty-seven thousand dollars ($37,000), 32 percent in addition of such excess.

Five thousand three hundred five dollars ($5,305) upon taxable incomes of thirty-seven thousand dollars ($37,000); and upon taxable incomes in excess of thirty-seven thousand dollars ($37,000) and not in excess of thirty-eight thousand dollars ($38,000), 33 percent in addition of such excess.

Five thousand six hundred thirty-five dollars ($5,635) upon taxable incomes of thirty-eight thousand dollars ($38,000); and upon taxable incomes in excess of thirty-eight thousand dollars ($38,000) and not in excess of thirty-nine thousand dollars ($39,000), 34 percent in addition of such excess.

Five thousand nine hundred seventy-five dollars ($5,975) upon taxable incomes of thirty-nine thousand dollars ($39,000); and upon taxable incomes in excess of thirty-nine thousand dollars ($39,000) and not in excess of forty thousand dollars ($40,000), 35 percent in addition of such excess.

Six thousand three hundred twenty-five dollars ($6,325) upon taxable incomes of forty thousand dollars ($40,000); and upon taxable incomes in excess of forty thousand dollars ($40,000) and not in excess of forty-one thousand dollars ($41,000), 36 percent in addition of such excess.

Six thousand six hundred eighty-five dollars ($6,685) upon taxable incomes of forty-one thousand dollars ($41,000); and upon taxable incomes in excess of forty-one thousand dollars ($41,000) and not in excess of forty-two thousand dollars ($42,000), 37 percent in addition of such excess.

Seven thousand fifty-five dollars ($7,055) upon taxable incomes of forty-two thousand dollars ($42,000); and upon taxable incomes in excess of forty-two thousand dollars ($42,000) and not in excess of forty-three thousand dollars ($43,000), 38 percent in addition of such excess.

Seven thousand four hundred thirty-five dollars ($7,435) upon taxable incomes of forty-three thousand dollars ($43,000); and upon taxable incomes in excess of forty-three thousand dollars ($43,000) and not in excess of forty-four thousand dollars ($44,000), 39 percent in addition of such excess.

Seven thousand eight hundred twenty-five dollars ($7,825) upon taxable incomes of forty-four thousand dollars ($44,000); and upon taxable incomes in excess of forty-four thousand dollars ($44,000) and not in excess of forty-five thousand dollars ($45,000), 40 percent in addition of such excess.

Eight thousand two hundred twenty-five dollars ($8,225) upon taxable incomes of forty-five thousand dollars ($45,000); and upon taxable incomes in excess of forty-five thousand dollars ($45,000) and not in excess of forty-six thousand dollars ($46,000), 41 percent in addition of such excess.

Eight thousand six hundred thirty-five dollars ($8,635) upon taxable incomes of forty-six thousand dollars ($46,000); and upon taxable incomes in excess of forty-six thousand dollars ($46,000) and not in excess of forty-seven thousand dollars ($47,000), 42 percent in addition of such excess.

Nine thousand fifty-five dollars ($9,055) upon taxable incomes of forty-seven thousand dollars ($47,000); and upon taxable incomes in excess of forty-seven thousand dollars ($47,000) and not in excess of forty-eight thousand dollars ($48,000), 43 percent in addition of such excess.

Nine thousand four hundred eighty-five dollars ($9,485) upon taxable incomes of forty-eight thousand dollars ($48,000); and upon taxable incomes in excess of forty-eight thousand dollars ($48,000) and not in excess of forty-nine thousand dollars ($49,000), 44 percent in addition of such excess.

Nine thousand nine hundred twenty-five ($9,925) upon taxable incomes of forty-nine thousand dollars ($49,000); and upon taxable incomes in excess of forty-nine thousand dollars ($49,000) and not in excess of fifty thousand dollars ($50,000), 45 percent in addition of such excess.

Ten thousand three hundred seventy-five dollars ($10,375) upon taxable incomes of fifty thousand dollars ($50,000); and upon taxable incomes in excess of fifty thousand dollars ($50,000), 46 percent in addition of such excess.

(b) The tax imposed by this part is not a surtax.

SECTION 4. Section 17048 of the Revenue and Taxation Code is hereby amended to read as follows:

17048. (a) In lieu of the tax imposed under Section 17041 of this part, there shall be levied, collected and paid for each taxable year upon the taxable income of each individual whose adjusted gross income for such year is less than five thousand dollars ($5,000), or in the case of a married couple filing a joint return for such year whose adjusted gross income is less than ten thousand dollars ($10,000), and who has elected to pay the tax imposed by this section for such year, the tax shown in the following table:

		The tax shall be—				
If the adjusted gross income is over—	But not over—	Single person (not head of household)		(1) Married person making separate return, or (2) Married couple making joint return (tax is on one-half the amount subject to tax)		Head of household
$0	$1,900	$0		$0		$0
1,900	1,950	0		~~.60~~	.30	0
1,950	2,000	0		~~1.07~~	.54	0
2,000	2,050	0		~~1.54~~	.77	0
2,050	2,100	0		~~2.01~~	1.01	0
2,100	2,150	0		~~2.48~~	1.24	0
2,150	2,200	~~.45~~	.23	~~2.95~~	1.48	0
2,200	2,250	~~.92~~	.46	~~3.42~~	1.71	0
2,250	2,300	~~1.39~~	.70	~~3.89~~	1.95	0
2,300	2,350	~~1.86~~	.93	~~4.36~~	2.18	0
2,350	2,400	~~2.33~~	1.17	~~4.83~~	2.42	0
2,400	2,450	~~2.80~~	1.40	~~5.30~~	2.65	0
2,450	2,500	~~3.27~~	1.64	~~5.77~~	2.89	0
2,500	2,550	~~3.74~~	1.87	~~6.24~~	3.12	0

If the adjusted gross income is over—	But not over—	The tax shall be—					
		Single person (not head of household)		(1) Married person making separate return, or (2) Married couple making joint return (tax is on one-half the amount subject to tax)		Head of household	
2,550	2,600	~~4.21~~	**2.11**	~~6.71~~	**3.36**	0	
2,600	2,650	~~4.68~~	**2.34**	~~7.18~~	**3.59**	0	
2,650	2,700	~~5.15~~	**2.58**	~~7.65~~	**3.83**	0	
2,700	2,750	~~5.62~~	**2.81**	~~8.12~~	**4.06**	0	
2,750	2,800	~~6.09~~	**3.05**	~~8.59~~	**4.30**	0	
2,800	2,850	~~6.56~~	**3.28**	~~9.06~~	**4.53**	0	
2,850	2,900	~~7.03~~	**3.52**	~~9.53~~	**4.77**	0	
2,900	2,950	~~7.50~~	**3.75**	~~10.00~~	**5.00**	0	
2,950	3,000	~~7.97~~	**3.99**	~~10.47~~	**5.24**	0	
3,000	3,050	~~8.44~~	**4.22**	~~10.94~~	**5.47**	0	
3,050	3,100	~~8.91~~	**4.46**	~~11.41~~	**5.71**	0	
3,100	3,150	~~9.38~~	**4.69**	~~11.88~~	**5.94**	0	
3,150	3,200	~~9.85~~	**4.93**	~~12.35~~	**6.18**	0	
3,200	3,250	~~10.32~~	**5.16**	~~12.82~~	**6.41**	0	
3,250	3,300	~~10.79~~	**5.40**	~~13.29~~	**6.65**	0	
3,300	3,350	~~11.26~~	**5.63**	~~13.76~~	**6.88**	0	
3,350	3,400	~~11.73~~	**5.87**	~~14.23~~	**7.12**	0	
3,400	3,450	~~12.20~~	**6.10**	~~14.70~~	**7.35**	0	
3,450	3,500	~~12.67~~	**6.34**	~~15.17~~	**7.59**	0	
3,500	3,550	~~13.14~~	**6.57**	~~15.64~~	**7.82**	0	
,550	3,600	~~13.61~~	**6.81**	~~16.11~~	**8.06**	0	
,600	3,650	~~14.08~~	**7.04**	~~16.58~~	**8.29**	0	
3,650	3,700	~~14.55~~	**7.28**	~~17.05~~	**8.53**	0	
3,700	3,750	~~15.02~~	**7.51**	~~17.52~~	**8.76**	0	
3,750	3,800	~~15.49~~	**7.75**	~~17.99~~	**9.00**	~~.49~~	**.25**
3,800	3,850	~~15.96~~	**7.98**	~~18.46~~	**9.23**	~~.96~~	**.48**
3,850	3,900	~~16.43~~	**8.22**	~~18.93~~	**9.47**	~~1.43~~	**.72**
3,900	3,950	~~16.90~~	**8.45**	~~19.40~~	**9.70**	~~1.90~~	**.95**
3,950	4,000	~~17.37~~	**8.69**	~~19.87~~	**9.94**	~~2.37~~	**1.19**
4,000	4,050	~~17.84~~	**8.92**	~~20.34~~	**10.17**	~~2.84~~	**1.42**
4,050	4,100	~~18.31~~	**9.16**	~~20.81~~	**10.41**	~~3.31~~	**1.66**
4,100	4,150	~~18.78~~	**9.39**	~~21.28~~	**10.64**	~~3.78~~	**1.89**
4,150	4,200	~~19.25~~	**9.63**	~~21.75~~	**10.88**	~~4.25~~	**2.13**
4,200	4,250	~~19.72~~	**9.86**	~~22.22~~	**11.11**	~~4.72~~	**2.36**
4,250	4,300	~~20.19~~	**10.10**	~~22.69~~	**11.35**	~~5.19~~	**2.60**
4,300	4,350	~~20.66~~	**10.33**	~~23.16~~	**11.58**	~~5.66~~	**2.83**
4,350	4,400	~~21.13~~	**10.57**	~~23.63~~	**11.82**	~~6.13~~	**3.07**
4,400	4,450	~~21.60~~	**10.80**	~~24.10~~	**12.05**	~~6.60~~	**3.30**
4,450	4,500	~~22.07~~	**11.04**	~~24.57~~	**12.29**	~~7.07~~	**3.54**
4,500	4,550	~~22.54~~	**11.27**	~~25.04~~	**12.52**	~~7.54~~	**3.77**
4,550	4,600	~~23.01~~	**11.51**	~~25.51~~	**12.76**	~~8.01~~	**4.01**
4,600	4,650	~~23.48~~	**11.74**	~~25.98~~	**12.99**	~~8.48~~	**4.24**
4,650	4,700	~~23.95~~	**11.98**	~~26.45~~	**13.23**	~~8.95~~	**4.48**
4,700	4,750	~~24.42~~	**12.21**	~~26.92~~	**13.46**	~~9.42~~	**4.71**
4,750	4,800	~~24.89~~	**12.45**	~~27.39~~	**13.70**	~~9.89~~	**4.95**
4,800	4,850	~~25.36~~	**12.68**	~~27.86~~	**13.93**	~~10.36~~	**5.18**
4,850	4,900	~~25.83~~	**12.92**	~~28.33~~	**14.17**	~~10.83~~	**5.42**
900	4,950	~~26.30~~	**13.15**	~~28.80~~	**14.40**	~~11.30~~	**5.65**
,950	4,999.99	~~26.77~~	**13.39**	~~29.27~~	**14.64**	~~11.77~~	**5.89**

In applying the above schedule to determine the tax of a taxpayer with one or more dependents, there shall be subtracted from his adjusted gross income four hundred dollars ($400) for each such dependent.

(b) For the purpose of this section—

(1) "Married person" means a married person on the last day of the taxable year, unless his spouse dies during the taxable year, in which case such determination shall be made as of the date of the spouse's death.

(2) "Dependent" means a person who is a dependent under Section 17182.

(3) An individual not a head of a household or a married person shall be treated as a single person.

SECTION 5. The tax rates established by Sections 1 and 2 of this act may be lowered by the Legislature, but the Legislature shall not have authority to increase them above the rates set by said Sections. The power to amend or repeal Sections 3 and 4 of this act is reserved to the people by the vote of the electors.

SECTION 6. If any section, subsectior n- tence or clause of this act is adjudged be unconstitutional or invalid, such adjudication shall not affect the validity of the remaining portion of this act. It is hereby declared that this act would have been passed, and each section, subsection, sentence or clause thereof, irrespective of the fact that any one or more sections, subsections, sentences or clauses might be adjudged to be unconstitutional, or for any other reason invalid.

SECTION 7. The amendments made by Sections 3 and 4 of this act shall be applied only in the computation of taxes for taxable years beginning after December 31, 1957.

18	**EMPLOYER-EMPLOYEE RELATIONS. INITIATIVE CONSTITUTIONAL AMENDMENT.** Adds Section 1-A to Article I, State Constitution. Prohibits employers and employee organizations from entering into collective bargaining or other agreements which establish membership in a labor organization, or payment of dues or charges of any kind thereto, as a condition of employment or continued employment. Declares unlawful certain practices relating to membership in labor organizations. Provides for injunction and damage suits against any person or group for violation or attempted violation. Preserves existing lawful contracts but applies to renewals or extensions thereof. Declares that section is self-executing. Defines "labor organization."	**YES**	
		NO	

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in **BLACK-FACED TYPE** to indicate that they are **NEW**.)

PROPOSED AMENDMENT TO ARTICLE I

Section 1-A.

(1) All men should be free to elect voluntarily whether to join or not to join a labor organization. The principle of voluntary unionism provides a safeguard against the abuses which result from monopoly control of employment.

(2) It is hereby declared to be the public policy of California that the right of persons to work shall not be denied or abridged on account of membership or non-membership in any labor organization.

(3) Any agreement or combination between any employer and any labor organization whereby persons not members of such labor organization shall be denied the right to work for the employer, or whereby such membership is made a condition of employment or continuation of employment by such employer, is hereby declared to be against public policy.

(4) No person shall be required by an employer to become or remain a member of any labor organization as a condition of employment or continuation of employment by such employer.

(5) No person shall be required by an employer to abstain or refrain from membership in any labor organization as a condition of emplo it or continuation of employment.

(6) No employer shall require any person, as a condition of employment or continuation of employment, to pay any dues, fees or other charges of any kind to any labor organization.

(7) No person, firm, association, corporation or labor organization shall cause or attempt to cause any employer to violate any of the provisions of this Section.

(8) Any person who may be denied employment or be deprived of continuation of his employment in violation of paragraphs (4), (5) or (6) or of one or more of such paragraphs shall be entitled to recover from such employer and from any other person, firm, corporation, association or labor organization acting in concert with such employer, by appropriate action in the courts of this State, such damages as he may have sustained by reason of such denial or deprivation of employment, together with reasonable attorney fees.

(9) Any employer, person, firm, association, corporation or labor organization injured as a result of any violation or threatened violation of any provision of this Section or threatened with any such violation shall be entitled to injunctive relief against any and all violators or persons threatening violation, and also to recover from such violator or violators, or person or persons, any and all damages of any character resulting from such violations or threatened viola s. Such remedies shall be independent of and a-